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**Introduced by Senator Murray**February 22, 2005

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An act to add Chapter 1.700 (commencing with Section 5096.900) to Division 5 of the Public Resources Code, relating to financing a program for the acquisition, development, and preservation of park and recreational resources in the state, by providing the funds necessary therefor through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds.

## LEGISLATIVE COUNSEL'S DIGEST

SB 783, as introduced, Murray. Murray Park Bond Act of 2006.

Under existing law, programs have been established pursuant to bond acts for, among other things, the development and enhancement of state and local parks and recreational facilities.

This bill would enact the Murray Park Bond Act of 2006, which, if adopted, would authorize, for the purpose of financing a program for the acquisition, development, and preservation of park, recreational, and historical resources, as specified, the issuance, pursuant to the State General Obligation Bond Law, of bonds in an unspecified amount.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Chapter 1.700 (commencing with Section
- 2 5096.900) is added to Division 5 of the Public Resources Code,
- 3 to read:

1 CHAPTER 1.700. THE MURRAY PARK BOND ACT OF 2006

2  
3 Article 1. General Provisions

4  
5 5096.900. This chapter shall be known, and may be cited, as  
6 the Murray Park Bond Act of 2006.

7 5096.901. (a) The Legislature finds and declares all of the  
8 following:

9 (1) Maintaining a high quality of life for California's growing  
10 population requires a continuing investment in parks, recreation  
11 facilities, and in the protection of the state's natural and historical  
12 resources.

13 (b) The Legislature hereby recognizes that public financial  
14 resources are inadequate to meet all of the funding needs of local  
15 public park and recreation providers and that there is an urgent  
16 need for safe, open, and accessible local park and recreational  
17 facilities and for increased recreational opportunities that provide  
18 positive alternatives to social problems. Accordingly, it is  
19 declared to be the policy of this state that the funds allocated  
20 pursuant to Section 5096.920 to local agencies shall be  
21 appropriated primarily for projects that accomplish all of the  
22 following:

23 (1) Rehabilitate facilities at existing local parks that will  
24 provide for more efficient management and reduced operational  
25 costs.

26 (2) Develop facilities that promote positive alternatives for  
27 youth and that promote cooperation between local park and  
28 recreation service providers and youth-serving nonprofit  
29 organizations.

30 (3) Promote family oriented recreation, including art activities.

31 (4) Provide for open, safe, and accessible local parklands,  
32 facilities, and botanical gardens.

33 (5) Develop and enhance nonmotorized trails to promote  
34 passive and active recreational enjoyment including wildlife and  
35 scenic viewing opportunities.

36 5096.905. As used in this chapter, the following terms have  
37 the following meanings:

38 (a) "Acquisition" means obtaining the fee title or a lesser  
39 interest in real property, including specifically, a conservation  
40 easement or development rights.

(b) “Committee” means the Murray Park Bond Act of 2006 Finance Committee created pursuant to Section 5096.967.

(c) “Department” means the Department of Parks and Recreation.

(d) “Development” includes, but is not limited to, improvement, rehabilitation, restoration, enhancement, preservation, protection, and interpretation.

(e) “Director” means the Director of Parks and Recreation.

(f) “District” means a regional park district, regional park and open-space district, or regional open-space district formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3, a recreation and park district formed pursuant to Chapter 4 (commencing with Section 5780), or an authority formed pursuant to Division 26 (commencing with Section 35100). With respect to a community or unincorporated region that is not included within a district, and in which no city or county provides parks or recreational areas or facilities, “district” also means any other district that is authorized by statute to operate and manage parks or recreational areas or facilities, employs a full-time park and recreation director, offers year-round park and recreation services on lands and facilities owned by the district, and allocates a substantial portion of its annual operating budget to parks or recreation areas or facilities.

(g) “Fund” means the Murray Park Bond Fund of 2006 created pursuant to Section 5096.910.

(h) “Local conservation corps” means a program operated by a public agency or nonprofit organization that meets the requirements of Section 14406.

(i) “Nonprofit organization” means any nonprofit public benefit corporation formed pursuant to the Nonprofit Corporation Law (Division 2 (commencing with Section 5000) of Title 1 of the Corporations Code), qualified to do business in California, and qualified under Section 501(c)(3) of the Internal Revenue Code.

(j) “Preservation” means identification, evaluation, recordation, documentation, interpretation, protection, rehabilitation, restoration, stabilization, development, and reconstruction, or any combination of those activities.

(k) “Secretary” means the Secretary of the Resources Agency.

1 5096.906. Lands or interests in land acquired with funds  
2 allocated pursuant to this chapter shall be acquired from a willing  
3 seller.

4  
5 Article 2. The Murray Park Bond Act of 2006  
6

7 5096.910. The proceeds of bonds issued and sold pursuant to  
8 this chapter shall be deposited in the Murray Park Bond Fund of  
9 2006, which is hereby created. The money in the fund shall be  
10 available for appropriation by the Legislature, in the manner set  
11 forth in this chapter, for state and local park acquisition,  
12 development, and preservation projects, in accordance with a  
13 schedule determined in this measure.

14  
15 Article 3. State Parks  
16

17 5096.915. It is the intent of the Legislature that first priority  
18 for funding shall be for development projects to complete and  
19 expand visitor facilities and for restoration projects. Not more  
20 than 50 percent of the funds provided by this section may be used  
21 for acquisition.

22  
23 Article 4. Fiscal Provisions  
24

25 5096.965. Bonds in the total amount of \_\_\_\_ dollars (\$ \_\_\_\_),  
26 not including the amount of any refunding bonds issued in  
27 accordance with Section 5096.977, or so much thereof as is  
28 necessary, may be issued and sold to provide a fund to be used  
29 for carrying out the purposes expressed in this chapter and to be  
30 used to reimburse the General Obligation Bond Expense  
31 Revolving Fund pursuant to Section 16724.5 of the Government  
32 Code. The bonds, when sold, shall be and constitute a valid and  
33 binding obligation of the State of California, and the full faith  
34 and credit of the State of California is hereby pledged for the  
35 punctual payment of the principal of, and interest on, the bonds  
36 as the principal and interest become due and payable.

37 5096.966. The bonds authorized by this chapter shall be  
38 prepared, executed, issued, sold, paid, and redeemed as provided  
39 in the State General Obligation Bond Law (Chapter 4  
40 (commencing with Section 16720) of Part 3 of Division 4 of Title

2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter by this reference as though set forth in full in this chapter.

5096.967. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the Murray Park Bond Act of 2006 Finance Committee is hereby created. For purposes of this chapter, the Murray Park Bond Act of 2006 Finance Committee is “the committee” as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, the Director of Finance, and the Treasurer, or their designated representatives. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the Secretary of the Resources Agency is designated the “board.”

5096.968. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter to carry out Section 5096.910 and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

5096.970. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

5096.971. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum necessary to carry out Section 5096.972, appropriated without regard to fiscal years.

5096.972. For purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount not to exceed the amount of the unsold bonds that have been authorized by the committee to be sold for the purpose of carrying out this chapter. Any amount withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund from proceeds received from the sale of bonds for the purpose of carrying out this chapter.

5096.973. Pursuant to Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the cost of bond issuance shall be paid out of the bond proceeds. These costs shall be shared proportionally by each program funded through this bond act.

5096.974. Actual costs incurred in connection with administering programs authorized under the categories specified in Section 5096.910 shall be paid from the funds authorized by this act.

5096.975. The secretary may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, including other authorized forms of interim financing that include, but are not limited to, commercial paper, in accordance with Section 16312 of the Government Code, for purposes of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds that the committee, by resolution, has authorized to be sold for the purpose of carrying out this chapter. The secretary shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

5096.976. All money deposited in the fund that is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

5096.977. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a

1 part of the State General Obligation Bond Law. Approval by the  
2 voters of the state of the issuance of the bonds described in this  
3 chapter includes the approval of the issuance of any bonds to  
4 refund any bonds originally issued under this chapter or any  
5 previously issued refunding bonds.

6 5096.978. Notwithstanding any provision of this chapter or  
7 the State General Obligation Bond Law, if the Treasurer sells  
8 bonds pursuant to this chapter that include a bond counsel  
9 opinion to the effect that the interest on the bonds is excluded  
10 from gross income for federal tax purposes, subject to designated  
11 conditions, the Treasurer may maintain separate accounts for the  
12 investment of bond proceeds and the investment earnings on  
13 those proceeds. The Treasurer may use or direct the use of those  
14 proceeds or earnings to pay any rebate, penalty, or other payment  
15 required under federal law or to take any other action with  
16 respect to the investment and use of those bond proceeds  
17 required or desirable under federal law to maintain the  
18 tax-exempt status of those bonds and to obtain any other  
19 advantage under federal law on behalf of the funds of this state.

20 5096.979. The Legislature hereby finds and declares that,  
21 inasmuch as the proceeds from the sale of bonds authorized by  
22 this chapter are not “proceeds of taxes” as that term is used in  
23 Article XIII B of the California Constitution, the disbursement of  
24 these proceeds is not subject to the limitations imposed by that  
25 article.

26 5096.981. Except for funds continuously appropriated by this  
27 chapter, all appropriations of funds pursuant to Section 5096.910  
28 for purposes of the program shall be included in the annual  
29 Budget Bill for the 2006-07 fiscal year, and each succeeding  
30 fiscal year, for consideration by the Legislature, and shall bear  
31 the label “Murray Park Bond Fund of 2006.” The annual Budget  
32 Bill section shall contain separate items for each project, each  
33 class of project, or each element of the program for which an  
34 appropriation is made.

35 5096.983. The secretary shall provide for an annual audit of  
36 expenditures from this chapter.

37 SEC. 2. Section 1 of this act shall take effect upon adoption  
38 by the voters of the Murray Park Bond Act of 2006, as set forth  
39 in Section 1 of this act.

1 SEC. 3. (a) Notwithstanding the requirements of any other  
2 provision of law, the Secretary of State shall submit Section 1 of  
3 this act to the voters at the 2006 statewide primary election.

4 (b) The Secretary of State shall ensure the placement of  
5 Section 1 of this act on the 2006 primary election, statewide  
6 ballot, in accordance with provisions of the Government Code  
7 and the Elections Code governing the submission of statewide  
8 measures to the voters.

9 (c) The Secretary of State shall include, in the ballot  
10 pamphlets mailed pursuant to Section 9094 of the Elections  
11 Code, the information specified in Section 9084 of the Elections  
12 Code regarding the bond act set forth in Section 1 of this act.